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REMARKS TO MIDCAREER COURSE NO. 69, 15 NOV 1979 ON THE
SENIOR REVIEW PANEL

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AT THE WASHINGTON LEVEL, IN THE 1960s AND 1970s, I
BECAME VERY FAMILIAR WITH NATIONAL ESTIMATES, ESPECIALLY THE
MILITARY ONES, AND SOME OF THE INTELLIGENCE "BATTLES" THAT
WERE WAGED WITHIN USIB, NOW NFIB. BUT I WAS ALSO VERY
INTERESTED IN THE POLITICAL ESTIMATES AS THE JCS WERE VERY
MUCH INVOLVED IN THE POLITICAL-MILITARY CRISES OF THE COLD WAR--

BERLIN, THE FRENCH WITHDRAWAL FROM NATO, THE INVASION OF CZECHOSLOVAKIA, TROUBLE IN PANAMA, THE PUEBLO, CYPRUS, COUPS IN BRAZIL AND A COUNTER-COUP IN INDONESIA, YOU NAME IT. I WAS US ARMY WHEN SALT I WAS AGREED TO IN MOSCOW AND HAVE BEEN GRILLED BY SUCH STALWARTS AS SENATORS JACKSON AND SYMINGTON AS TO WHY THE JCS ALLOWED SUCH POOR AGREEMENTS TO BE NEGOTIATED. AND SO YOU SEE, I HAVE A FAIR APPRECIATION OF HOW CRUCIAL INTELLIGENCE CAN BE IN SUCH SITUATIONS.

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CONDITIONED BY MY EXPERIENCE ON THE POLICYMAKING SIDE, MY PERSPECTIVE WITH RESPECT TO ALLEGED US INTELLIGENCE FAILURES CONVINCES ME THAT THE MIND-SET OF POLICYMAKERS USUALLY HAD MORE TO DO WITH THE FAILURE THAN ANY MIND-SET OF INTELLIGENCE ANALYSTS. WHEN WE HAD INTELLIGENCE FAILURES WITH SERIOUS MILITARY CONSEQUENCES--FOR EXAMPLE, PEARL HARBOR, AND THE BATTLE OF THE BULGE--I BLAMED THE COMMANDER, NOT THE INTELLIGENCE OFFICER, AS THE COMMANDER'S JUDGMENT WAS LIKEWISE INVOLVED. THE BATTLE OF THE BULGE IS USUALLY BLAMED ON THE 12TH ARMY GP G-2, BG EDDIE SIBERT, WHO UNFORTUNATELY WAS ON LEAVE IN PARIS WHEN THE GERMAN OFFENSIVE BEGAN, BUT WHERE WERE BRADLEY, EISENHOWER AND BIDEAL SMITH? LOOKING OUT THE WINDOW?

THE SENIOR REVIEW PANEL WAS ESTABLISHED LATE LAST YEAR BY THE DCI TO PROVIDE AN INDEPENDENT, COLLEGIAL AND SUBSTANTIVE REVIEW OF MAJOR FINISHED INTELLIGENCE PRODUCTS OF BOTH THE INTELLIGENCE COMMUNITY AND NFAC. BASICALLY, THE END PURPOSE

IS TO IMPROVE THE QUALITY OF MAJOR PRODUCTS--WHAT MIGHT BE
TERMED NATIONAL INTELLIGENCE--AND TO ENHANCE ITS USEFULNESS
TO POLICYMAKERS.

DR. BOB BOWIE, THE FORMER DIRECTOR, NFAC, RECRUITED
THE PRESENT THREE MEMBERS OF THE PANEL AND ADMIRAL TURNER
APPOINTED US. AMBASSADOR BILL LEONHART CAME ABOARD IN
AUGUST 1978; I JOINED ON 1 NOVEMBER 1978; AND [REDACTED]

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[REDACTED] JOINED ON A FULL-TIME BASIS IN JUNE OF THIS YEAR.

THE POSSIBILITY OF ADDITIONAL MEMBERS FROM THE OUTSIDE--
FOR EXAMPLE, A SCIENTIFIC TYPE, OR A SENIOR PERSON FROM A
MULTINATIONAL CORPORATION--HAS NEVER GONE BEYOND THE
DISCUSSION STAGE. BASED ON OUR EXPERIENCE TO DATE, WE
BELIEVE THAT A RETIRING SENIOR INTELLIGENCE OFFICER WITH A
LOT OF "SAVVY" WOULD BE A VERY USEFUL ADDITION.

WE RESEARCHED THE HISTORICAL BACKGROUND LEADING TO THE
PANEL'S CREATION, BUT UNCOVERED VERY LITTLE. IN FACT, THIS
MAY BE A MAJOR WEAKNESS OF THE AGENCY--THE LACK OF AN OVERALL
INSTITUTIONAL MEMORY AND CONTINUITY OF THE RECORD. THIS CAN
HAPPEN WHEN THERE ARE NUMEROUS CHANGES AT THE TOP OF A LARGE
AGENCY AND WHEN THERE HAVE BEEN NUMEROUS REORGANIZATIONS OVER
A SHORT PERIOD OF TIME. AT ANY RATE, WE DISCOVERED THAT
MR. GEORGE BUSH AS DCI IN JUNE 1976, TOOK NOTE OF THE LACK
OF ANY COLLEGIAL REVIEW OF NATIONAL PRODUCTS AT ANY STAGE
OF PRODUCTION AND TRIED TO ORGANIZE WHAT WAS CALLED THE
INTELLIGENCE ADVISORY PANEL TO THE DCI. THE CONCEPT WAS

TO SELECT FROM A RELATIVELY LARGE PANEL OF 30-40 PEOPLE, THREE INDIVIDUALS TO REVIEW THE BASIC DRAFT OF A SPECIFIC ESTIMATE BEFORE IT WAS CIRCULATED FOR COORDINATION. PANEL MEMBERS WERE TO BE HIGHLY QUALIFIED PEOPLE SELECTED FROM A VARIETY OF DISCIPLINES AND RECRUITED FROM BOTH IN AND OUT OF GOVERNMENT. THIS PARTICULAR IDEA WAS APPROVED BUT NEVER IMPLEMENTED APPARENTLY BECAUSE THE ADMINISTRATION CHANGED. THE USE OF OUTSIDE CONSULTANTS, OF COURSE, IS AS OLD AS THE HILLS AND CONTINUES THROUGHOUT THE AGENCY.

WE ALSO CAME ACROSS A STUDY OF NATIONAL ESTIMATES, COMMISSIONED IN JULY 1976 AND COMPLETED IN APRIL 1977, BY A TEAM OF EXPERIENCED AGENCY OFFICERS UNDER CIA'S CENTER FOR THE STUDY OF INTELLIGENCE--THE SO-CALLED MARENGO STUDY. IT WAS TRIGGERED BY MOUNTING CRITICISM OF NATIONAL ESTIMATES AND THE LACK OF ANY SERIOUS EFFORT TO EVALUATE THEM. AMONG OTHER THINGS, THIS EXCELLENT STUDY RECOMMENDED ESTABLISHMENT OF THE LARGER OUTSIDE CONSULTANT GROUP ALREADY DESCRIBED--THIS TIME, CALLED THE ESTIMATES ADVISORY PANEL. THE MARENGO STUDY ALSO, RECOMMENDED A SMALL GROUP OF ABOUT FIVE DISTINGUISHED GENERALISTS--WITH POLITICAL, ECONOMIC, MILITARY, SCIENTIFIC AND SOCIOLOGICAL BACKGROUNDS RESPECTIVELY--TO FUNCTION AS A COLLEGIAL REVIEW BODY INSIDE THE AGENCY. THIS CONCEPT VISUALIZED THAT THIS FULL-TIME GROUP WOULD OPERATE ORGANIZATIONALLY AND PHYSICALLY CLOSE TO THE DCI. THE PRESENT SENIOR REVIEW PANEL WAS APPARENTLY DIRECTLY SPAWNED BY THIS RECOMMENDATION. WHETHER THE AGENCY DECIDED TO CARRY OUT THE IDEA ON ITS OWN

OR WAS PUSHED INTO IT BY OUTSIDE PRESSURES, ESPECIALLY BY THE CONGRESS, IT IS NOT CLEAR. I MUST CONFESS THAT AT TIMES, IT HAS OCCURRED TO US THAT PERHAPS OUR CREATION WAS PRIMARILY COSMETIC IN PURPOSE.

WHILE AMB. LEONHART AND I WERE GETTING ORIENTED IN OUR NEW ENVIRONMENT, WE WERE ASKED TO DRAFT A PROPOSED CHARTER FOR THE PANEL. OUT OF THIS GREW THE REALIZATION THAT THE DCI AND DR. BOWIE HAD QUITE DIFFERENT IDEAS AS TO OUR ROLE. THE DCI FELT THAT WE SHOULD SERVE MORE IN AN AFTER-THE-FACT ROLE, REVIEWING MAJOR PAPERS FOR EXAMPLE IN THE FINAL PHASE; CONDUCTING POST-AUDITS; OR ASSESSING THE PATTERN AND FLOW OF FINISHED INTELLIGENCE ON A GIVEN AREA OVER A PAST PERIOD OF TIME. BUT DR. BOWIE WANTED US TO REVIEW MAJOR PAPERS IN THE CONCEPTUAL PHASE AND AT APPROPRIATE STAGES THEREAFTER, BUT WITHOUT BEING CLOSELY INVOLVED IN THE PROCESS FOR FEAR OF LOSING OUR OBJECTIVITY. BOWIE, MOREOVER, WANTED US TO WORK DIRECTLY FOR HIM, THAT IS AS PART OF NFAC, WHILE THE DCI HAD A BROADER ROLE IN MIND. IN ANY EVENT, BOWIE PREVAILED AND OUR CHARTER OF 11 DECEMBER 1978, ALTHOUGH VERY BROAD IN SCOPE, IN EFFECT MADE US PART OF NFAC. HE THOUGHT OF US AS A DIRECT EXTENSION OF HIMSELF IN SEEKING TO ESTABLISH SUBSTANTIVE QUALITY CONTROL OF PRODUCTION.

WHAT HAVE WE BEEN DOING? OUR CHARTER LISTS THE REVIEW FUNCTION, MENTIONS POST-AUDITS, OVERALL PRODUCTION PLANNING AND

PUBLISHING NEW GUIDELINES AND DEFINITIONS FOR NIEs, SNIEs and IIMs TO NFAC AND THE COMMUNITY.

--PRODUCTION PLANNING

--INTERAGENCY: THE PANEL PREPARED TWO MAJOR REVIEWS AND PARTICIPATED IN THE FINAL NFAC REVIEW OF THE INTERAGENCY PRODUCTION FORECAST FOR THE PERIOD, JULY 1979-JUNE 1980. IN ADDITION, WE MADE A NUMBER OF AD HOC SUGGESTIONS FOR SPECIFIC, TIME-URGENT ESTIMATES--FOR EXAMPLE, CARIBBEAN/CENTRAL AMERICA, WORLD ENERGY PROBLEMS, AFGHANISTAN AND UGANDA.

--OVERALL: WE JUST COMPLETED A REVIEW OF THE PROPOSED OFFICE RESEARCH PROGRAMS AND NIO INTERAGENCY PROGRAMS FOR CY-80. THIS IS A "FIRST" FOR NFAC AND IS DEFINITELY A STEP IN THE RIGHT DIRECTION. NFAC WILL LEARN A LOT FROM THIS EXERCISE WHICH SHOULD GREATLY IMPROVE PRODUCTION PLANNING IN FUTURE ITERATIONS. FOR EXAMPLE, A NOTICEABLE WEAKNESS IS THE LACK OF OVERALL GUIDANCE FROM NFAC IN TERMS OF MAJOR RESEARCH AND STUDY OBJECTIVES FOR THE COMING YEAR. IN THIS CONNECTION, MY OWN FEELING IS THAT NFAC LONG-RANGE PLANNING IS QUITE WEAK. INDEED, THIS IS AN AGENCY WEAKNESS.

WHAT HAVE BEEN OUR REACTIONS-OBJECTIVES-PERCEPTIONS WITH RESPECT TO THE AGENCY?

FIRST, WE'VE BEEN IMPRESSED WITH THE PEOPLE. THERE IS PLENTY OF TALENT AND DEDICATION-PURPOSE/MOTIVATION SEEM TO BE STRONG AND STEADY. THERE MAY BE MORALE PROBLEMS IN SPOTS, BUT NO MORE THAN NORMAL FOR AN ORGANIZATION OF THIS SIZE.

SECOND, WE ARE IMPRESSED WITH THE COMPLEXITY, DIFFICULTY AND SHEER MAGNITUDE OF CIA'S MISSION. ON BALANCE, WE BELIEVE THAT THE AGENCY IS DOING A CREDITABLE JOB UNDER VERY TRYING CIRCUMSTANCES.

BUT TO BE FRANK, WE HAVE OBSERVED ON THE SUBSTANTIVE SIDE SOME TENDENCIES THAT WE PERCEIVE AS FLAWS, OR WEAKNESSES. LET ME EXPLAIN.

--MANY ANALYSTS SEEM TO PREFER DOING CURRENT INTELLIGENCE WORK OF A MORE DESCRIPTIVE, FACTUAL SHORT-TERM NATURE AND SHY AWAY FROM ANY REAL ESTIMATIVE WORK. PEOPLE SEEM TO BE AFRAID TO RUN THE RISK OF BEING WRONG.

--MANY APPEAR TO DUCK DELIBERATELY THE QUESTION OF MAKING A PAPER RELEVANT TO US POLICY; I.E., IDENTIFY ISSUES AND THEIR POLICY RELEVANCE, AND DRAW IMPLICATIONS OF OUR POLICY ACTIONS--THE CONSEQUENCES IN TERMS OF FOREIGN REACTIONS.

--THERE SEEMS TO BE A RELUCTANCE AMONG MANY TO TAKE ON A BROADER-RANGING ESTIMATE SUCH AS A REGIONAL ONE OR AN INTER-AGENCY PAPER ON GLOBAL OR FINANCIAL/MONETARY PROBLEMS.

--HONEST DISSENT WITHIN NFAC SEEMS TO HAVE BEEN SUBMERGED AT TIMES.

--DISSENTING VIEWS WITHIN THE COMMUNITY SOMETIMES ARE NOT VERY WELL HANDLED. SOME PEOPLE SEEM TO PREFER TO COMPROMISE WITH A DILUTED STATEMENT RATHER THAN TO STATE CLEAR-CUT DIFFERENCES OF VIEW ON IMPORTANT ISSUES.

ON THE MANAGERIAL SIDE, WE HAVE NOTED SOME PROBLEMS IN NFAC, NAMELY:

--THE LACK OF OVERALL MANAGEMENT. THIS IS NOW BEING RAPIDLY CORRECTED BY BRUCE CLARKE.

--THE LACK OF COHESIVE PLANNING, ESPECIALLY OF A LONG RANGE NATURE. THIS IS BEING ADDRESSED BY TOP LEVEL CIA OFFICIALS, INCLUDING BRUCE CLARKE.

--THE LACK OF AN EXTERNAL EVALUATION SYSTEM, TO INCLUDE A FEEDBACK MECHANISM.

--THE LACK OF A CAREER MANAGEMENT ENTITY. AN ORGANIZATION AS LARGE AS NFAC NOT ONLY CAN AFFORD, BUT MUST HAVE A CENTRAL PERSONNEL SYSTEM THAT HANDLES CAREER DEVELOPMENT AND CENTRALLY ASSIGNS PEOPLE TO JOBS, SEEKING THE BEST BALANCE BETWEEN THE NEEDS OF NFAC AND THE BEST INTERESTS OF THE INDIVIDUAL.

THE FUTURE

NFAC IS ESTABLISHING A NEW NIO CONCEPT, CALLED THE NATIONAL INTELLIGENCE COUNCIL TO BE CHAIRED BY DICK LEHMAN AND REPORTING TO BRUCE CLARKE. ONLY ABOUT EIGHT NIOs ARE VISUALIZED--SIX REGIONAL AND TWO MILITARY. THERE WILL ALSO BE ABOUT FOUR NIOs AT LARGE, A SMALL SUBSTANTIVE STAFF OF ABOUT TWENTY UNDER A CHIEF, AND A SMALLER ADMINISTRATIVE STAFF UNDER AN EXECUTIVE OFFICER. THE IDEA IS THAT THIS ORGANIZATION, WHEN FILLED OUT, WILL EVENTUALLY DO MOST OF THE DRAFTING OF INTERAGENCY PAPERS. FOR EACH MAJOR PAPER, AN NIO WILL BE

IN CHARGE ASSISTED BY AN AD HOC COLLEGIAL REVIEW GROUP
CONSISTING OF SEVERAL OTHER NIOs WITH AND WITHOUT PORTFOLIO.
THE FUTURE OF THE SRP HAS NOT BEEN SETTLED. THERE ARE
SEVERAL OPTIONS BEING CONSIDERED--WITHIN NFAC OR OUTSIDE IT.

THERE IS A GENERAL CONSENSUS AMONG THE SENIOR NFAC PEOPLE
THAT THE NATIONAL INTELLIGENCE COUNCIL CONCEPT IS A MAJOR
STEP FORWARD. TAKEN TOGETHER WITH MANY OTHER ACTIONS BEING
TAKEN BY BRUCE CLARKE, NFAC SHOULD BE OPERATING FAR MORE
EFFICIENTLY IN THE FUTURE, CERTAINLY BY NEXT SUMMER. WHETHER
THE QUALITY OF NFAC'S WORK AND OF THE COMMUNITY'S OUTPUT AS
A WHOLE WILL BE IMPROVED, REMAINS TO BE SEEN.

--THE AGENCY SHOULD LOOK FORWARD TO HOW IT CAN BETTER
PERFORM ITS MISSION IN 1981 AT THE BEGINNING OF A NEW
ADMINISTRATION. THE DCI'S PRIORITIES, OF COURSE, INVOLVE
SUPPORT OF THE PRESIDENT, THE NSC, AND THE CABINET, AS WELL
AS RESPONSIBILITY FOR THE COMMUNITY AND TO ITS VARIOUS
COMPONENTS. ALL OF US SHOULD BE THINKING IN TERMS OF HOW
WE CAN BETTER SERVE OUR COUNTRY AND ASSURE ITS SURVIVAL,
ON THE ONE HAND, AND SERVE WHATEVER ADMINISTRATION IS IN
POWER, ON THE OTHER. THE TWO NEED NOT BE INCOMPATIBLE.

--LET ME FINISH ON AN UPBEAT NOTE. AS A PROFESSIONAL
SOLDIER, I AM USED TO CRITICAL REMARKS AND WORSE FROM THE
OUTSIDE, BUT THAT IS THE LOT OF A MILITARY MAN. IT IS ALSO
THE LOT OF AN INTELLIGENCE OFFICER, FOREIGN SERVICE OFFICER,
OR ANY OTHER PUBLIC SERVANT. SO AS PROFESSIONALS, WE MUST

NOT ALLOW PUBLIC CRITICISM TO DETER US FROM CARRYING OUT OUR
STATUTORY RESPONSIBILITIES. AS FOR MORALE, GEN. GEORGE C.
MARSHALL ONCE SAID--"OFFICERS DO NOT HAVE MORALE--THEY JUST
DO THEIR JOBS REGARDLESS OF CIRCUMSTANCES."